



## MAN SANG HOLDINGS, INC.

FOR IMMEDIATE RELEASE

### MAN SANG HOLDINGS, INC. ANNOUNCES UPDATE INFORMATION IN RELATION TO AN INVESTMENT IN CHINA

NEW YORK--(BUSINESS WIRE) — April 7, 2006 -- Man Sang Holdings, Inc. (the “**Company**”) (AMEX: MHJ) announced certain update information regarding the acquisition of the entire issued share capital of Smartest Man Holdings Limited (“**Smartest Man**”) by Man Sang Enterprise Ltd., a wholly-owned subsidiary of Man Sang International Limited (“**MSIL**”) (a Hong Kong listed company), which is an indirect subsidiary of the Company. The sole asset of Smartest Man is its 49% legal and beneficial interest in the issued share capital of China Pearls and Jewellery City Holdings Limited (the “**HK Company**”), and the sole asset of the HK Company is its 100% equity interest in a wholly-owned foreign enterprise (“**WOFE**”).

On March 23, 2006, pursuant to the Establishment Contract (the “**Establishment Contract**”) with Zhuji City Shanxiahu Town Government and Zhuji Municipal Government acting as supervising party, the WOFE was formed with an approved registered capital of US\$20,000,000 (equivalent to approximately HK\$156,000,000) and a total investment of US\$40,000,000 (equivalent to approximately HK\$312,000,000) for the planning, construction, development and management, among other related matters, of Zhuji International Jewellery City, to be located in Zhuiji Municipal, Zhejiang Province in the People’s Republic of China. MSIL and/or Man Sang Enterprise Ltd. expects to contribute into the HK Company in proportion to its shareholding in the HK Company, an amount of approximately US\$19,600,000 (equivalent to approximately HK\$152,880,000), and the HK Company will contribute that same amount into the total investment and the registered capital of the WOFE.

“The total investment in the WOFE includes the cost for acquiring the land use rights, demolishing the existing buildings and facilities on the existing Zhuji Pearl Market which is one of the most well-established freshwater pearl trading platforms in China, and developing new facilities. By participating in the Zhuji International Jewellery City, we expect Man Sang Group can expand geographically, enlarge its customer base and build a leading position in the industry. Moreover, the Group’s properties portfolio will also become more diversified and synergy effects are expected to be generated in the Group’s overall pearl business,” Mr Cheng Chung Hing, Ricky, Chairman of Man Sang Group stated.

**About Man Sang Holdings, Inc.**

Man Sang Holdings, Inc. and its subsidiaries (together the “**Man Sang Group**”) are one of the world's largest purchasers and processors of Chinese cultured and freshwater pearls. The Man Sang Group is principally engaged in the purchasing, processing, assembling, merchandising and wholesale distribution of pearls, pearl jewelry and other jewelry products. In addition, the Man Sang Group owns and operates the Man Sang Industrial City, an industrial complex, located in Gong Ming Zhen, Shenzhen Special Economic Zone, PRC.

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